

30 July 1999

Miscellaneous

**VEHICLE SELF INSURANCE (VSI)
(MANDATORY/OPTIONAL)**

This regulation governs policies and procedures relating to the internal Civil Air Patrol (CAP) Vehicle Self Insurance program for the protection of the corporate vehicle fleet.

1. General (Vehicles):

a. The Vehicle Self Insurance (VSI) program is an internal CAP program for protecting the CAP vehicle fleet. **THE VSI IS NOT AN INSURANCE POLICY, BUT RATHER A SELF INSURANCE PROGRAM OPERATED BY CAP AND IS INDEPENDENT OF ANY APPLICABLE INSURANCE.**

b. VSI provides only collision and comprehensive coverage. **Liability protection is provided by CAP's commercial national insurance program.**

c. VSI is mandatory for all DoD funded (purchased) and all VSI funded (purchased) CAP vehicles, 8 years old or newer; older vehicles are not covered under VSI.

d. HQ CAP-USAF/LGT administers the VSI program.

e. VSI does not shield the individual CAP member from pecuniary liability for damage to a vehicle due to their gross negligence (see CAPR 900-5, *The CAP Insurance/Benefits Program*). CAP retains the right to recover from negligent members and/or third parties. The CAP VSI also supplements other valid and collectible property insurance covering the loss.

2. Limits of Coverage:

a. Only DoD or VSI funded (purchased) CAP owned vehicles may be covered by the VSI.

b. To be covered for comprehensive and collision losses under this program, vehicles must be listed on the S-2 report and engaged in official CAP activities. Any loss resulting from personal or unauthorized use of a vehicle will not be covered, but will be the sole responsibility of the individual operating the vehicle--regardless of how the accident occurred. In addition to personal liability, disciplinary or membership action may be taken against the individual (reference CAPR 62-2, *Mishap Reporting and Investigation*).

3. How to Obtain Coverage:

a. **Coverage.** All CAP owned DoD or VSI funded vehicles currently assigned to the regions and wings, 8 years old or newer, as well as any new CAP owned DoD or VSI funded vehicles, will be included automatically in the program and billed accordingly. **Exception: Wings will not pay for the LO support vehicle.**

b. **Continuing Coverage.** Continuing coverage will be provided using the RCS: S-7 Report, Vehicle Self Insurance Report (Attachment 1).

c. **DoD Funded Vehicles and VSI Funded Vehicles.** DoD and VSI funded vehicles received after receipt of the RCS: S-7 Report should be reported to HQ CAP-USAF/LGT immediately by using the CAPF 37, *Shipping and Receiving Document*. Also, a check for VSI coverage (may adjust premium by using \$5.00/month) should be sent to NHQ CAP/FM.

4. Premiums:

a. Premiums are \$60.00 per year and will be billed yearly.

b. HQ CAP-USAF/LGT will suspense (using the RCS: S-7 Report) each CAP region/wing for payment to be sent directly to NHQ CAP/FM. HQ CAP-USAF/LGT will send a copy to the CAP Wing LO to help tract status of payment. The RCS: S-7 Report will be mailed the first week of August. **The original S-7 Report must be signed by the region/wing commander or designated alternate and returned to HQ CAP-USAF/LGT. The premium and a copy of the S-7 Report will be due to NHQ CAP/FM NLT 1 October.** Upon receipt of payment, NHQ CAP/FM will forward a copy of the check and copy of S-7 Report to HQ CAP-USAF/LGT. No *VSI claims* or *Vehicle Rehab Request for Reimbursement* will be processed until premiums are paid in full. Regions and wings are responsible for their own premium payments.

5. Cancellation. COVERAGE ON DoD AND VSI FUNDED VEHICLES WILL NOT BE CANCELED EXCEPT FOR THE FOLLOWING REASONS:

a. Vehicle is a total loss.

b. Sale of vehicle (waiver approval).

6. Claims/Adjustment of Losses:

a. Claims will normally be adjusted between the wing/region and HQ CAP-USAF/LGT. Independent adjusters will be used when HQ CAP-USAF/LGT deems necessary. The HQ CAP-USAF/LGT will have the final determination on all claims.

b. There will be a \$250.00 deductible for each occurrence.

c. All losses will be adjusted on the actual cash value (ACV) basis. This means that the program will pay the cost of repair, minus the deductible, up to the current retail market value of the vehicle. Funds realized from the sale or salvage of the vehicle will be deducted from the claim settlement.

d. DoD and VSI funded vehicles which are less than 8 years of age (as calculated by subtracting the manufacturer year from the calendar year) and which have been totaled will be replaced with a comparable new vehicle.

e. When a vehicle covered by the VSI has a collision or comprehensive claim, the commander or designated representative must, **WITHIN 60 DAYS OF LOSS**, submit the following to **HQ CAP-USAF/LGT with a copy furnished to the CAP Wing LO/LNCO:**

(1) A completed copy of the CAPF 133, *Vehicle Self Insurance (VSI) Claim Form*.

(2) A copy of the CAPF 73, *Daily CAP Vehicle Inspection Report*.

(3) A copy of the CAPF 74, *Annual CAP Vehicle Inspection*.

(4) A copy of the CAPF 78 (*see CAPR 62-2*), *Mishap Report Form*.

(5) A copy of the CAPF 79 (*see CAPR 62-2*), *CAP Mishap Investigation Form (if applicable)*.

(6) A copy of police reports, if accomplished.

(7) Pictures of vehicles and damage.

(8) Two official estimates from reputable repair facilities.

(9) A letter signed by the wing commander (region commander for region vehicles) stating what action, if any, was taken against the driver, including pecuniary assessments. The wing commander must include a statement as to whether the driver has collision coverage and whether it applies to this accident. **CLAIMS WILL NOT BE PROCESSED WITHOUT FULL COMPLIANCE WITH THESE REQUIREMENTS. LOSSES WILL NOT BE PAID IF THE UNIT IS DELINQUENT IN PAYMENT OF WING PREMIUMS.** The letter may include a request by the wing commander to waive the \$250.00 deductible for the following circumstances:

(a) Act of God

(b) Poor financial condition of the wing

f. Any expense associated with commercial towing or commercial storage for disabled CAP vehicles will be the responsibility of the region/wing.

g. No repairs should be authorized or made until the claim is approved by HQ CAP-USAF/LGT.

h. The HQ CAP-USAF/LGT will make the final disposition determination in accordance with CAPR 67-1, *Civil Air Patrol Supply Manual*.

7. Exclusions: The following losses are not covered by the VSI:

a. Loss due to normal wear and tear or depreciation.

b. Loss while vehicle is used for other than official CAP purposes.

8. General (Windshields)

a. Coverage. Partial replacement cost for windshields will be reimbursed with VSI funds. The following procedures apply when replacing a CAP vehicle windshield (does not apply to CAP liaison office vehicles).

(1) DoD Funded and VSI Funded CAP Vehicles: Only 50% of the total cost to replace a windshield will be reimbursed with VSI funds.

(2) Other CAP Vehicles: The total cost to replace a windshield will be the responsibility of the CAP wing.

(3) In cases where the windshield has a small "chip" it can be repaired at a minimal cost, if it is repaired before it begins to crack. This minimal cost will be the responsibility of the CAP wing.

b. Claims. Claims will be submitted (fax or mail) on a CAPF 70, *VSI Windshield Replacement Request*, **thru the CAP wing liaison office to HQ CAP-USAF/LGT.**

PAUL J. ALBANO, SR.

Colonel, CAP

Executive Director

JAMES C. BOBICK

Brigadier General, CAP

National Commander

1 Attachment

Vehicle Self Insurance (VSI) Report - S7



DAVID L. MILLER
Chief, Administration

SUMMARY OF CHANGES

This revision more clearly defines the VSI coverage and process with the following changes: only VSI and DoD funded (purchased) CAP vehicles will be covered under this program; VSI premiums, billing process, claim process, and deductible changed; and the process for replacement of windshields has been added

Note: Bars in the margins identify updated information.

VEHICLE SELF INSURANCE (VSI) REPORT - S7

INVOICE PERIOD: 1 OCT XX - 30 SEP XX

ALABAMA WING – SOUTHEAST REGION					DATE: XX Aug XX		
CAP ID	Year	Manufacturer	Vehicle Type	Vehicle ID Number	Acquired	Charter	ANNUAL PREMIUM
01001	1986	DODGE	VAN	2B5WB31T0GK523583	31/10/85	1090	\$60
01002	1992	DODGE	VAN	2B5WB35Y7NK119666	31/12/91	1117	\$60
01003	1988	CHEVROLET	VAN	1GAGG35K0J7153596	31/05/88	1059	\$60
01004	1993	CHEVROLET	VAN	1GNDM19Z2PB132647	14/12/92	1112	\$60
FY XX						TOTAL DUE	\$240

SIGN AND RETURN ORIGINAL S-7 REPORT TO HQ CAP-USAF/LGT NLT 1 OCT XX

SEND PREMIUM AND A COPY OF S-7 REPORT TO NHQ CAP/FM NLT 1 OCT XX

REGION / WING CC OR REPRESENTATIVE

NOTE: Vehicle self insurance is for only collision and comprehensive coverage for DoD funded (purchased) and VSI funded (purchased) CAP vehicles 8 years old or newer.